

MEMORANDUM

TO: Audit Committee
Jon Strinden
Ron Leingang

FROM: Jamie Kinsella, Internal Auditor

DATE: May 23, 2007

SUBJECT: **July 6, 2006 Audit Committee Meeting**

In Attendance:
Jon Strinden via conference call
Ron Leingang
Sparb Collins
Jamie Kinsella
Sharon Schiermeister

The meeting was called to order at 1:30 p.m.

The meeting was called to discuss the upcoming staffing needs during the Business System Replacement Project. This information was needed for budget purposes. Mr. Collins indicated there were two options: 1) ask for 4 FTE's, 2 for accounting and 2 for benefits programs; or 2) ask for 3 FTE's, 1 for accounting and keeping the Internal Audit Staff that is currently assisting accounting, and 2 for benefits programs. After discussion, the Audit Committee recommended that management request 4 FTE's in the budget.

The meeting adjourned at 2:00 p.m.